

STATE RISK MANAGEMENT FUND
INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2007

	June-07					March-07				December-06				September-06				Current FYTD	Prior Year FY06	3 Years Ended 6/30/2006	5 Years Ended 6/30/2006
	Allocation		Quarter	Month	Net ROR	Allocation		Quarter	Allocation		Quarter	Allocation		Quarter	Net	Net	Net	Net			
	Market Value	Actual	Policy	Net ROR		Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value					Actual	Policy	Net ROR
LARGE CAP DOMESTIC EQUITY																					
Structured Growth																					
Los Angeles Capital	122,452	3.3%	3.4%	7.52%	-1.44%	136,193	3.3%	3.4%	3.86%	132,829	3.3%	3.4%	7.40%	126,362	3.3%	3.4%	1.60%	21.84%	11.12%	13.35%	N/A
Total Structured Growth	122,452	3.3%	3.4%	7.52%	-1.44%	136,193	3.3%	3.4%	3.86%	132,829	3.3%	3.4%	7.40%	126,362	3.3%	3.4%	1.60%	21.84%	11.12%	13.35%	10.94%
Russell 1000 Growth				6.86%	-1.49%				1.19%				5.93%				3.94%	19.04%	6.12%	8.70%	9.28%
Structured Value																					
LSV	120,892	3.3%	3.4%	6.59%	-2.33%	135,614	3.3%	3.4%	2.38%	147,026	3.7%	3.4%	8.10%	139,232	3.6%	3.4%	4.91%	23.77%	15.05%	19.00%	16.55%
Russell 1000 Value				4.93%	-2.34%				1.24%				8.00%				6.22%	21.87%	12.10%	15.93%	13.31%
Russell 1000 Enhanced Index																					
LA Capital	244,128	6.6%	6.8%	6.83%	-1.90%	273,290	6.7%	6.8%	1.65%	278,602	6.9%	6.8%	7.67%	252,049	6.5%	6.8%	3.72%	21.27%	11.58%	13.46%	N/A
Russell 1000				5.90%	-1.91%				1.21%				6.95%				5.06%	20.43%	9.08%	12.34%	N/A
S&P 500 Enhanced Index																					
Westridge	260,545	7.0%	6.8%	6.41%	-1.62%	292,823	7.2%	6.8%	0.74%	280,709	7.0%	6.8%	6.85%	269,141	6.9%	6.8%	5.74%	21.12%	8.77%	11.98%	N/A
S&P 500				6.28%	-1.66%				0.64%				6.70%				5.67%	20.59%	8.63%	11.68%	N/A
Index																					
State Street	75,311			5.47%	-1.80%	85,259			1.42%	98,661			7.85%	93,496			5.59%	21.82%	9.51%	12.34%	11.08%
Total 130/30	75,311	2.0%	2.3%	5.47%	-1.80%	85,259	2.1%	2.3%	1.42%	98,661	2.5%	2.3%	7.85%	93,496	2.4%	2.3%	5.59%	21.82%	9.51%	12.34%	11.08%
S&P 500				6.28%	-1.66%				0.64%				6.70%				5.67%	20.59%	8.63%	11.68%	10.71%
TOTAL LARGE CAP DOMESTIC EQUITY	823,329	22.3%	22.5%	6.64%	-1.79%	923,179	22.6%	22.5%	1.77%	937,827	23.4%	22.5%	7.48%	880,279	22.7%	22.5%	4.47%	21.86%	10.95%	13.76%	12.22%
S&P 500				6.28%	-1.66%				0.64%				6.70%				5.67%	20.59%	8.63%	11.68%	10.71%
SMALL CAP DOMESTIC EQUITY																					
Manager-of-Managers																					
SEI	276,493	7.5%	7.5%	6.28%	-1.29%	309,526	7.6%	7.5%	2.41%	316,884	7.9%	7.5%	8.80%	290,872	7.5%	7.5%	-0.03%	18.39%	13.58%	13.70%	14.37%
Russell 2000 + 200bp				4.94%	-1.30%				2.45%				9.43%				0.94%	18.76%	16.86%	15.72%	16.16%
TOTAL SMALL CAP DOMESTIC EQUITY	276,493	7.5%	7.5%	6.28%	-1.29%	309,526	7.6%	7.5%	2.41%	316,884	7.9%	7.5%	8.80%	290,872	7.5%	7.5%	-0.03%	18.39%	13.58%	13.70%	14.37%
Russell 2000				4.42%	-1.46%				1.95%				8.90%				0.44%	16.44%	14.58%	13.45%	13.88%
DOMESTIC FIXED INCOME																					
Core Bond																					
Western Asset	728,071	19.7%	20.2%	-0.90%	-0.80%	794,478	19.5%	19.8%	1.61%	889,891	22.2%	22.4%	2.01%	866,502	22.3%	22.4%	4.45%	7.29%	-0.90%	4.44%	5.64%
Lehman Aggregate				-0.52%	-0.30%				1.50%				1.24%				3.81%	6.12%	-0.81%	3.98%	4.48%
Mortgage Backed																					
Hyperion	205,438	5.6%	5.2%	-0.68%	-0.29%	221,904	5.4%	5.2%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Lehman Global Aggregate (US Securitized Portion)				-0.45%					1.89%												
Core Plus/Enhanced																					
Clifton Group	200,588	5.4%	5.2%	-0.52%	-0.15%	220,401	5.4%	5.2%	1.91%	202,523	5.0%	5.2%	0.66%	199,868	5.2%	5.2%	3.40%	5.52%	N/A	N/A	N/A
Prudential	200,261	5.4%	5.2%	-0.51%	-0.71%	219,787	5.4%	5.2%	1.50%	202,804	5.1%	5.2%	1.89%	197,637	5.1%	5.2%	N/A	N/A	N/A	N/A	N/A
Total Core Plus/Enhanced	400,849	10.8%	10.4%	-0.52%	-0.43%	440,189	10.8%	10.4%	1.70%	405,327	10.1%	10.4%	1.27%	397,505	10.3%	10.4%	3.40%	5.95%	N/A	N/A	N/A
Lehman Aggregate				-0.52%	-0.30%				1.50%				1.24%				3.81%	6.12%			
Index																					
Bank of ND	358,043	9.7%	9.1%	-0.41%	-0.11%	405,272	9.9%	9.8%	1.37%	374,357	9.3%	9.8%	1.31%	381,114	9.8%	9.8%	3.10%	5.45%	-1.14%	2.92%	4.32%
Lehman Gov/Credit (1)				-0.49%	-0.21%				1.47%				1.04%				3.91%	6.00%	-1.52%	3.04%	4.35%
BBB Average Quality																					
Wells Capital (formerly Strong)	720,944	19.5%	20.2%	-0.33%	-0.33%	789,042	19.3%	19.8%	1.74%	887,351	22.1%	22.4%	1.75%	866,268	22.3%	22.4%	4.60%	7.93%	-2.11%	4.86%	6.59%
Lehman US Credit BAA				-0.66%	-0.63%				1.79%				1.49%				4.80%	7.54%	-2.37%	4.47%	6.59%
TOTAL DOMESTIC FIXED INCOME	2,413,346	65.3%	65.0%	-0.57%	-0.45%	2,650,884	64.9%	65.0%	1.57%	2,556,926	63.7%	65.0%	1.70%	2,511,389	64.8%	65.0%	4.28%	7.11%	-1.39%	3.89%	5.04%
Lehman Aggregate (2)				-0.52%	-0.30%				1.50%				1.24%				3.81%	6.12%	-0.81%	4.13%	4.87%
CASH EQUIVALENTS																					
Bank of ND	185,019	5.0%	5.0%	1.28%	0.41%	198,331	4.9%	5.0%	1.32%	202,548	5.0%	5.0%	1.32%	194,519	5.0%	5.0%	1.35%	5.36%	4.50%	4.10%	3.00%
90 Day T-Bill				1.27%	0.39%				1.25%				1.26%				1.33%	5.21%	4.00%	3.78%	2.76%
TOTAL RISK MANAGEMENT FUND	3,698,187	100.0%	100.0%	1.68%	-0.78%	4,081,920	100.0%	100.0%	1.70%	4,014,185	100.0%	100.0%	3.53%	3,877,059	100.0%	100.0%	3.87%	11.20%	2.38%	6.46%	7.26%
POLICY TARGET BENCHMARK				1.46%	-0.66%				1.34%				3.02%				3.85%	10.02%	2.71%	6.27%	6.80%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.